

SENATE BILL 2678

By Massey

AN ACT to amend Tennessee Code Annotated, Title 9,  
Chapter 8, Part 1 and Title 9, Chapter 8, Part 4,  
relative to claims administration.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-8-405(a), is amended by deleting the subsection and substituting instead the following:

(a) A claim filed with the division may be settled pursuant to § 20-13-103, following consultation with the governmental entity affected therein; provided, however, that the state treasurer is authorized to settle the following classes of claims filed with the division without complying with § 20-13-103:

(1) Claims alleging a negligent act or omission of a state employee or the state; provided, that the state treasury's authority to settle such claims is limited to an amount no greater than three hundred thousand dollars (\$300,000) per claimant, subject to the per occurrence limitation contained in § 9-8-307(e);

(2) Claims filed by a state employee for the loss, damage, or destruction of personal property based on § 9-8-111; provided, that the state treasurer's authority to settle such claims is limited to an amount no greater than fifty thousand dollars (\$50,000) per claim;

(3) Claims filed by a state employee for workers' compensation benefits, subject to the restrictions and limitations contained in the Workers' Compensation Law, compiled in title 50, chapter 6; or

(4) Claims filed by a party seeking compensation under the Criminal Injuries Compensation Act of 1976, compiled in title 29, chapter 13, and § 40-24-107.

SECTION 2. Tennessee Code Annotated, Section 9-8-406, is amended by deleting the section in its entirety and substituting instead the following:

The attorney general and reporter shall represent the state in all claims before the commission that are not otherwise settled by the state treasurer.

SECTION 3. Tennessee Code Annotated, Section 9-8-407(b), is amended by deleting the language ", exercising the settlement authority delegated to the state treasurer pursuant to § 9-8-405,".

SECTION 4. Tennessee Code Annotated, Title 9, Chapter 8, Part 4, is amended by adding the following as a new section:

**9-8-409.**

The state treasurer, in conjunction with the department of transportation, shall develop, implement, and administer a centralized information system for the reporting of alleged dangerous conditions on state-maintained highways and the repair of the conditions. To fulfill the duties described in this section, the state treasurer, in the state treasurer's discretion, may utilize and modify an existing system of the department of transportation or the department of treasury, or may purchase a new system. One (1) centralized telephone number must be established for persons to report alleged dangerous conditions on state-maintained highways. The state treasurer shall enter into a memorandum of understanding with the commissioner of transportation to share and exchange information to be maintained in the centralized system. The state treasurer is authorized to contract with third-party entities and individuals to obtain and maintain information in the centralized system.

SECTION 5. Tennessee Code Annotated, Section 9-8-109(d)(2), is amended by adding the following as a new subdivision:

( ) Expenses and costs relative to the centralized system described in § 9-8-409, including, but not limited to, salary and benefit costs for employees to administer the centralized system;

SECTION 6. This act takes effect upon becoming a law, the public welfare requiring it.